(b) Public Distribution System (PDS) is implemented under the joint responsibility of the Central and State Government/UT Administration. The Central Government is responsible for procurement, storage and transportation of the PDS commodities upto the contral godowns and making them available to the State. The operational responsibility for implementing the PDS including identification of the poor rests with the State Government/UT Administration. States have been asked to formulate and implement foolproof arrangement for identification of the poor. In the guidelines for implementation of TPDS and the States/ UTs have been requested as follows :—

(i) The thrust should be to include only the really poor and vulnerable sections of the society such as landless agricultural labourers, marginal farmersx, rural artisans/craftsmen such as potters, tappers, weavers, blacksmiths, carpenters, etc. in the rural areas and slum dwellers, persons earning their ulCqinformal sector like porters, rickshaw pullers and handcart pullers, fruit and flower sellers on the pavements, etc. in urban areas. The categories so listed are only by way of illustration and is.in no way an exhaustive list of those who could be brought within ambit of BPL population.

(ii) the quinquennial BPL census made at the instance of the Ministry of Rural Development for implementation of IRDP can be a basis and the guidelines issued by that Minrstry for BPL suriey may be adopted. However, the overall number of BPL families identified should be limited to the estimates of Planning Commission based on the Expert Group methodology adopted by the Government of India for TPDS.

(iii) Gram Panchayats and Gram Sabhas should be involved in the identification of eligible families below poverty line.

Suggestion of Standing Committee on FCI

†3679. SHRI RAMA SHANKER KAUSHIK:
PROF RAM GOPAL YADAV:

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

†Original Notice of the Question was received in Hindi.

(a) whether the Standing Committee related to the Ministry of Food, Civil Supplies and Public Distribution has given any suggestion to Government regarding the working of the Food Ciorporation of India;

(b) if so, the details of the suggestion and the steps taken by Government for implementation of the Committee's suggestion ?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) Yes, Sir.

(b) The information is given in the statemant attached.

Statement

The following recommendations have been made by the Standing Committee relating to the Ministry of Consumer Affairs and Public Distribution, Department of Public Distribution on the working of the Food Corporation of India and steps undertaken by the Government of India are as under:—

RECOMMENDATION OF THE STANDING COMMITTEE	ACTION TAKEN BY THE GOVERNMENT
(i) Food Corporation of India (FCI) alongwith State Governments through their agencies undertake procurement of wheat, paddy and coarsegrains under price support schemes to maintain food security and to ensure remunerative price to the farmers. But sometimes it is noticed that due to shortage of sufficient number of purchase centres the farmers are compelled for distress sale of their product. Though the Minimum Support Price (MSP) and bonus is announced well in advance there is need to give mass publicity to the announcement made by the Government in this regard. The traders and middlemen purchase the foodgrains at a rate lower than MSP and sell it on higher prices by creating artifical scarcity. Special efforts for ensuring proper price in regard to coarsegrains must also be	Recommendations of the Committee noted for compliance. It is relevnt that sufficient number of purchase centres have been opened in the current Rabi Marketing Season 1999-2000. Besides State Government of West Bengal the State Governments of Madhya Prees and UP have also started procureing wheat under decentralised procurement scheme in the current Rabi Marketing Season 1999-2000. The State Government of Bihar and Orissa have not come up with any proposal for starting decentralised procurement. The progress in extending this system depends on the initiatives and willingness of the State Governments. To ensure availability of sufficient quantity of jute bags, monthly meetings are taken with the officers of DGS&D, BIS, FCI, Railway

taken. The Committee strongly recommend that keeping in view the bumper crop of foodgrains, sufficient numbor of procurement centres must be opened and mass publicity be given to benefit the farmers. The Committee further recommend that decentralised procurement should also be encouraged.	Board, IJMA, Container Corporation of India as well as officers of State Governments of Punjab, Haryana, U.P. and MP to review the position of suply of Jute bags. As regards quality and standards of jute bags, inspections are conducted by DGS&D at the despatch end.A decision has also been taken on 28-5-99 that a joint inspection at the consignee's end will be conducted by the DGS&D and BIS to ensure that the jute bags are as per prescribed specification standards.
The Committee also recommend that arrangement should be made for the availability of sufficient quantity and specified quality/standard of jute bags bo that the mission of procurement may not suffer for want of jute bags.	
RECOMMENDATION OF THE STANDING COMMITTEE	ACTION TAKEN BY THE GOVERNMENT
(ii) Storage is a necessary adjunct in agricultural marketing for Public Distribution System (PDS) and keeping buffer stock. Though storage capacity at a macro level is considered quite adequate, there is a greatn need to increase this capcity at mocro level, especially in the deficient areas, hilly rural farflung areas and RPDS blocks. The Committee recommend that storage capacity generation at micro-farm levle should be encuraged to prevent the distress sale.	The creation of storage capacity at micro level is a continuous process continuous process considering the need for the PDS requirements and buffer stocks. FCI's construction programme depends upon the budgetary outlay. For the 9th Five Year Plan a physical target of 4.6 lakh tonnes has been proposed. In the year 1999-200, FCI propose to construct 1.15 lakh tonnes of storage capacity with a finacial outlay of Rs. 20 crores. The Board of Directors of FCI, while considering the Perspective Plan; for the remaining period of the 9th Plan, have decided that FCI should construct godowns at the most stretgic locations, preferably on Broad Gauge (BG) points and most deficient/hilly/rural areas where no agency intends to construct godowns. In addition to FCI, other agencies like CWC, SWCs etc. are also constructing warehouses at the micro level.
RECOMMENDATION OF THE STANDING COMMITTEE	ACTION TAKEN BY THE GOVERNMENT
(iii) The Committee also recommended that Central and State Agencies like FCI, CWC, storage and warehousing should work in close cooperation and coordcnation in developing modern storage instrastracture, including introduction of mechanisation,	FCI and CWC/SWCs work in close cooperation and coordination with regard to creation of storage facilities. Department of Food and Civil Supplies had also constituted a Steering Committee in August, 1997 to examine the question of introduction of modern technology in handling, storage and transportation of

bulk handling systems etc. Modern Scientific storage of foodgrains is the immediate need of the country. For this norms may be adopted in consultation with the Indian Grains Management Research Institute (IGMRI) for the construcion of godowns whether in the private sector or public sector. The available storage capacity should be optimally used so that the maximum profit is obtained.	foodgrains with emphasis on bulk storage in India. The Committee submitted its report in February, 1998 which was accepted by the Government. One of the of modern technology in handling, and storage of foodgrains including introduction of integrated bulk handling, storage and transportation of foodgrains is also under consideration of a Task Force constituted under the Chairmanship of Secretary (F&CS) in May, 1998 for implementation of the recommendation of the Steering Committee. The IGMRI is undertaking various research activities in close collaboration with FCI, CWC, SWCs etc. for development of code of practices for scientific storage of foodgrains at commercial level. As regard construction of godowns for storage of foodgrains, norms/ standards for construction of conventional, godowns on scientific lines have already been developed by Bureau of India Standards (BIS) (formerly ISI) in association with IGMRI, which are being adopted by FCI, CWC, SWCs etc. at The time of construction of the godowns.
RECCOMMENDATION OF THE STANDING COMMITTEE (iv) The Committee recommended that all efforts should be made to reduce the burden on food subsidy by minimising the storage and transit shortages/losses.	ACTION TAKEN BY THE GOVERNMENT To minimise the storage and transit storages/ losses, the steps that have been taken are as under:— (i) Administrative measures such as tightening of the loading unloading points ensuring regular stock verification etc. (ii) Installation of weighbridges in depots. (iii) Minimising multiple handling, transhipment and movement in open wagons. (iv) Induction of ICSF at vulnerable depots to curb theft and pilferage. (v) Adoption of 50 kgs. Packing in a phased

	manner and encouraging machine stitching of bags. (vi) Food Corporation of India has issued has issued a set of instructions to control the operational transit losses prescribing a systematic approach to achieve transparency and accountability.
RECOMMENDATION OF THE STANDING COMMITTEE (v) The old accumulated of stocks of foodgrains and sugar must be cleared by the Government and the principle of F.I.F.O. (First in-First out) should be strictly adhered to promptly. There should be a clear policy - regarding the disposal of stocks which are older than two years. These should preferably be disposed off through auction.	ACTION TAKEN BY THE GOVERNMENT The High Level Committee of Food Corporation of India has already been empowered by this Department to dispose off D category rice through tenders after following certain guide-lines. With a view to liquidate stocks of imported wheat, C&D cateogry of wheat and old stocks of wheat available with FCI, this department has already authorised the High Level Committee of FCI to dispose off these stocks after following a prescribed procedure. The High Level Committee of FCI has been delegated the powers to dispose off rice procured under relaxed specifications by FCI during 1997-98 and the remaining unmilled paddy procured under relaxed specifications in the state of Punjab during the period from 1996-97 to 1998-99 after following certain guide-lines. FCI follows the system of First-in-aid out in issuing the foodgrains. Stocks of old foodgrains accumulated mainly when the state Governments do not lift these stocks under PDS and other welfare schemes as the old foodgrains do not have a presentable appearance, include shreddy bran and small brokens. The Deptt. has issued instructions to FCI to follow the principle of FIFO strictly.
RECOMMENDATION OF THE STANDING COMMITTEE (vi) Strict monitoring be adopted to maintain the quality of quantity of foodgrains under Public Distribution System (PDS) so that the	ACTION BY THE GOVERNMENT (a) Special drives were organised during procurement of Paddy during Marketing season 1999-2000 by Senior Officers of the Ministry, FCI and the State Governments in Punjab,

purpose of the schemes of catering the poor measures is not defeated.	Haryana and Uttar Pradesh to ensure that paddy strictly confirming to uniform specifications are procured.
	(b) In the interest of Targeted Public Distribution System (TPDS) consumer specifications for Rice during Kharif Marketing season 1999-2000 and for Wheat during the current Rabi marketing season 2000-2001 have been tightened.
	(c) No relaxation in specification of Rice/Paddy during the current Kharif Marketing season 1999-2000 has been given except in case of Orissa where the crop was affected due to Super Cyclone.
	(d) FCI has been asked to supply only good quality foodgrains to the States for distribution under TPDS.

The IGMRI is undertaking various research activities in close collaboration with FCI, CWC, SWCs etc. for development of code of practices for scientific storage of foodgrains at commercial level. As regard construction of godowns for storage of foodgrains norms/ standards for construction of conventional godowns on scientific lines have already been developed by Bureau of India Standards (BIS) (formerly ISI) in association with IGMRI, which are being adopted by FCI, CWC, SWCs etc. at the time of construction of the godowns.

Import duty on edible oil

3680. SHRI C.M. IBRAHIM: Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government had lately reduced the import duty on edible oil from 60 per cent to 15 per cent;

(b) if so, the amount of edible oils imprrted since reduction in import duty;

(c) the local availability of such oils from indigenous production; and

(d) how the Indian farmers and producers of oilseeds and oils have been adversely affectee thereby and the steps taken to help the Indian producers?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) No, Sir. With effect from 30.12.1999, the Government has in fact raised the import duty on refined edible oil from 15% (basic) to 25% (basic).